

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
CALENDAR: U
PAGE 1 of 3
CIRCUIT COURT OF
IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, LAW DIVISION LAW DIVISION
CLERK DOROTHY BROWN

NATIONAL SCHOOL TOWEL)
SERVICE, INC.,)
Plaintiff,)
v.) No.
THE HARTFORD CASUALTY)
INSURANCE COMPANY,)
Defendant.)

COMPLAINT

Plaintiff, National School Towel Service, Inc. ("National Towel"), by and through its undersigned attorneys, Childress Duffy, Ltd., for its Complaint against the Defendant, The Hartford Casualty Insurance Company ("The Hartford"), states as follows:

COUNT I
(Breach of Contract)

1. At all times material herein, National School Towel Service, Inc., a registered Illinois corporation, owned the real property located at 1815-1823 Ridge Ave, Evanston, IL, a commercial building which National Towel operated as a towel cleaning service (the "insured building," "subject property").

2. At all times material herein, The Hartford was and is an out-of-state corporation licensed and authorized to do business in the State of Illinois and engaged in the business of underwriting and issuing commercial and casualty insurance policies.

3. The Hartford issued to National Towel a Spectrum Business Owner's Policy with effective dates of September 1, 2014 to September 1, 2015, Policy Number 83 SBA NK6170 SA (hereinafter "the Insurance Policy"). (A copy of the insurance policy is attached hereto as "Exhibit A").



4. Under the Insurance Policy, The Hartford insured National Towel against direct physical loss or physical damage caused by or resulting from risks of collapse of a building or any part of a building that is insured by the policy caused by decay that is hidden from view, unless the presence of such decay was known to an insured prior to collapse.

5. On or about July 11, 2015, while the Insurance Policy was in full force and effect, National Towel sustained direct physical loss of and damage to the insured building due to collapse ("the Occurrence") as a result of hidden decay.

6. National Towel duly submitted a claim, Number CP0016324564 (hereinafter "the Claim"), to The Hartford under the Insurance Policy.

7. On or about August 31, 2015, The Hartford denied National Towel's claim in its entirety. (A copy of the claim denial letter is attached hereto as "Exhibit B").

8. In its claim denial letter of August 31, 2015, The Hartford claimed that its adjuster found that based upon its investigation, the structural decay was not hidden from view and that a reasonable and prudent observer should have seen the decay in the subject area and other areas of the building. (*see Exhibit B*).

9. The rotten wood contained within the trusses' steel "shoes" could not be detected from the ground floor.

10. National Towel has substantially performed all conditions required by the Insurance Policy, including timely notifying The Hartford of the Occurrence, cooperating with the Defendant's investigation of the loss, timely payment of all premiums, and timely filing suit against the Defendant.

11. As a result, it is the duty of The Hartford to pay National Towel for all of the losses sustained due to collapse of part of the insured building.

12. Although requested to do so, The Hartford has failed, refused, and continues to fail and refuse to pay National Towel for all its losses.

13. This breach of the insurance contract was and is the direct and proximate cause of loss to National Towel in an amount in excess of \$50,000.

14. This is an action based on a "written instrument" within the meaning of the Illinois Insurance Act, and, therefore, National Towel is entitled to prejudgment interest.

WHEREFORE, Plaintiff, National School Towel Service, Inc., respectfully prays for judgment in its favor against Defendant, The Hartford Mutual Insurance Company, in an amount in excess of \$50,000 plus prejudgment interests and costs.

Dated: November 19, 2015

Respectfully Submitted,



Scott Green
Attorney for Plaintiff
Childress Duffy, Ltd.
500 N. Dearborn Street
Suite 1200
Chicago, IL 60654
Tel: (312) 494-0200
Fax: (312) 494-0202

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
CALENDAR: U
PAGE 4 of 34
CIRCUIT COURT OF
COOK COUNTY, ILLINOIS
LAW DIVISION
CLERK DOROTHY BROWN

IMPORTANT NOTICE TO OUR POLICYHOLDERS

THANK YOU FOR RENEWING YOUR POLICY WITH THE HARTFORD. WITH THIS NOTICE WE ARE PROVIDING YOU ONLY WITH THE DECLARATIONS PAGE, WHICH OUTLINES YOUR COVERAGES, AND WITH THOSE POLICY FORMS, NOTICES, AND BROCHURES WHICH ARE DIFFERENT FROM THOSE WHICH WE PROVIDED WITH YOUR PREVIOUS POLICY. YOU SHOULD RETAIN ALL OF THESE DOCUMENTS AND THOSE PROVIDED WITH YOUR PREVIOUS POLICY INDEFINITELY SO THAT YOU WILL HAVE A COMPLETE SET OF POLICY FORMS AT ALL TIMES FOR YOUR REFERENCE.

IF YOU HAVE QUESTIONS, OR IF AT ANY TIME YOU NEED COPIES OF ANY OF THE FORMS LISTED ON YOUR POLICY, PLEASE CALL YOUR HARTFORD AGENT OR BROKER, OR THE OFFICE OF THE HARTFORD IDENTIFIED ON YOUR POLICY, AS APPROPRIATE.



Insurance Policy Billing Information

Thank you for selecting The Hartford for your business insurance needs.

Shortly, you will receive your first bill from us. You are receiving this Notice so you know what to expect as a valued customer of The Hartford. Should you have any questions after reviewing this information, please contact us at 866-467-8730, and we will be happy to assist you.

- o Your total policy premium will appear on your policy's Declarations Page. You will be billed based on the payment plan you selected.
 - o You may pay the "minimum due" as it appears on your insurance bill or pay the policy balance in full.
 - o An installment service fee is added to each installment. A late fee will also be applied if the "minimum due" is not **received** by the due date shown on your bill. Service and late payment fees do not apply in all states.
 - o If you selected installment billing, any credit or additional premium due as the result of a change made to your policy, will be spread over the remaining billing installments. Additional premium due as a result of an **audit** will be billed in full on your next bill date following the completion of the audit.
 - o If you elected Electronic Funds Transfer (EFT), policy changes may result in changes to the amount automatically withdrawn from your bank account. The invoice you receive following a policy change will include future withdrawal amounts. If you need to adjust or stop your next scheduled EFT withdrawal, please contact us **at least 3 days prior** to the scheduled withdrawal date at the telephone number shown below.
- If you selected installment billing and pay the premiums for your first policy term on time, at renewal, your account may qualify for our "Equal Installment" feature. This means that the percentage due for each installment, including the initial renewal installment, will be the same throughout the policy term – helping you better manage cash flow. Equal installments will continue as long as you pay your premiums on time and no cancellation notices are issued for any policy on your account. If you no longer qualify for Equal Installments, future renewals will be billed based on the payment plan you selected, which includes a higher initial installment amount.
- o If your policy is eligible for renewal, your bill for the upcoming policy term will be sent to you approximately 30 days prior to your policy's renewal date. If your insurance needs change, please contact us at least 60 days prior to your renewal date so we can properly address any adjustments needed.
 - o **One bill convenience** -- you have the option of combining all eligible Hartford policies on one single bill allowing you to make one payment for all policies on your account as payments are due.

You're In Control

In addition to selecting a bill plan option that best meets your budget, you have the flexibility to decide **how** your payments are made ...

- o **Repetitive EFT:** Sign up for Repetitive EFT payments and have payments automatically withdrawn from your bank account. This option saves you money by reducing the amount of the installment service fee.
- o **Pay Online:** Register at www.thehartford.com/servicecenter. Online Bill Pay is Quick, Easy and Secure!
- o **Pay by Check:** Send a check with your remittance stub in the envelope provided with your bill.
- o **Pay by Phone:** Call toll-free 1-866-467-8730.

Should you have any questions about your bill, please call Customer Service toll-free number:
1-866-467-8730 - 7AM – 7PM CST. We look forward to being of service to you.

Spectrum®

Business Owner's Policy

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 3 of 34





PRODUCER COMPENSATION NOTICE

You can review and obtain information on The Hartford's producer compensation practices at www.TheHartford.com or at 1-800-592-5717.

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 4 of 34

POLICY NUMBER: 83 SBA NK6170



**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN
RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK
INSURANCE ACT.**

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE

Terrorism Premium (Certified Acts):

\$ 188.00

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 5 of 34

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, as amended ("TRIA"), we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for certified acts of terrorism under TRIA. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement.

B. Disclosure Of Federal Share Of Terrorism Losses

The United States Department of the Treasury will reimburse insurers for 85% of that portion of insured losses attributable to "certified acts of terrorism" under TRIA that exceeds the applicable insurer deductible.

However, if aggregate industry insured losses under TRIA exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion. The United States government has not charged any premium for their participation in covering terrorism losses.

C. Cap On Insurer Liability for Terrorism Losses

If aggregate industry insured losses attributable to "certified acts of terrorism" under TRIA exceed \$100 billion in a Program Year (January 1 through December 31) and we have met, or will meet, our insurer deductible under TRIA, we shall not be liable for the payment of any portion of the amount of such losses that exceed \$100 billion. In such case, your coverage for terrorism losses may be reduced on a pro-rata basis in accordance with procedures established by the Treasury, based on its estimates of aggregate industry losses and our estimate that we will exceed our insurer deductible. In accordance with the Treasury's procedures, amounts paid for losses may be subject to further adjustments based on differences between actual losses and estimates.

D. All other terms and conditions remain the same.



IMPORTANT INFORMATION FOR ILLINOIS POLICYHOLDERS

IN THE EVENT YOU NEED TO CONTACT SOMEONE ABOUT THIS POLICY, PLEASE CONTACT YOUR HARTFORD AGENT.

If you have a complaint, you may contact The Hartford at the address stated below.

The Hartford
Customer Relations Department
Hartford Plaza
Hartford, CT 06115
Telephone: 1-800-727-0721

If you have been unable to contact or obtain satisfaction from your agent or from The Hartford's Customer Relations Department, you may contact the Illinois Department of Insurance at the address below.

ILLINOIS DEPARTMENT OF INSURANCE
Consumer Services Section
Springfield, IL 62767

Written correspondence is preferable so that a record of your inquiry is maintained.

PLEASE MAKE SURE TO INCLUDE YOUR POLICY NUMBER IN ANY CORRESPONDENCE.

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-001839
1 of 6



IMPORTANT NOTICE TO POLICYHOLDERS

To help your insurance keep pace with increasing costs, we have increased your amount of insurance . . . giving you better protection in case of either a partial, or total loss to your property.

If you feel the new amount is not the proper one, please contact your agent or broker.

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 7 of 34

70 This **Spectrum Policy** consists of the Declarations, Coverage Forms, Common Policy Conditions and any
61 other Forms and Endorsements issued to be a part of the Policy. This insurance is provided by the stock
NK insurance company of The Hartford Insurance Group shown below.
SBA

INSURER: HARTFORD CASUALTY INSURANCE COMPANY
ONE HARTFORD PLAZA, HARTFORD, CT 06155
COMPANY CODE: 3



Policy Number: 83 SBA NK6170 SA

SPECTRUM POLICY DECLARATIONS

Named Insured and Mailing Address: NATIONAL SCHOOL TOWEL SERVICE INC
(No., Street, Town, State, Zip Code)

PO BOX 1088
EVANSTON IL 60204

Policy Period: From 09/01/14 To 09/01/15 1 YEAR
12:01 a.m., Standard time at your mailing address shown above. **Exception:** 12 noon in New Hampshire.

Name of Agent/Broker: INSURANCE SERVICE CENTER INC
Code: 552259

Previous Policy Number: 83 SBA NK6170

Named Insured is: CORPORATION

Audit Period: NON-AUDITABLE

Type of Property Coverage:

Insurance Provided: In return for the payment of the premium and subject to all of the terms of this policy, we agree with you to provide insurance as stated in this policy.

TOTAL ANNUAL PREMIUM IS: \$12,672

ELECTRONICALLY FILED
11/19/2015 1:54 PM

Countersigned by

Authorized Representative

Date

SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 83 SBA NK6170

Location(s), Building(s), Business of Named Insured and Schedule of Coverages for Premises as designated by Number below.

Location: 001 **Building:** 001

1815-23 RIDGE AVE
EVANSTON IL 60201

Description of Business:

GENERAL OFFICE

Deductible: \$ 1,000 PER OCCURRENCE

BUILDING AND BUSINESS PERSONAL PROPERTY LIMITS OF INSURANCE

BUILDING

REPLACEMENT COST	\$ 1,923,461
------------------	--------------

BUSINESS PERSONAL PROPERTY

REPLACEMENT COST	\$ 27,300
------------------	-----------

PERSONAL PROPERTY OF OTHERS

REPLACEMENT COST	NO COVERAGE
------------------	-------------

MONEY AND SECURITIES

INSIDE THE PREMISES	\$ 10,000
OUTSIDE THE PREMISES	\$ 5,000

LOSS PAYEE: 'A' APPLIES

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 9 of 34

SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 83 SBA NK6170

Location(s), Building(s), Business of Named Insured and Schedule of Coverages for Premises as designated by Number below.

Location: 001 Building: 001

**PROPERTY OPTIONAL COVERAGES APPLICABLE LIMITS OF INSURANCE
TO THIS LOCATION**

BUILDING STRETCH

FORM: SS 04 52

THIS FORM INCLUDES MANY ADDITIONAL
COVERAGES AND EXTENSIONS OF
COVERAGES. A SUMMARY OF THE
COVERAGE LIMITS IS ATTACHED.

STRETCH COVERAGES

FORM: SS 04 08

THIS FORM INCLUDES MANY ADDITIONAL
COVERAGES AND EXTENSIONS OF
COVERAGES. A SUMMARY OF THE
COVERAGE LIMITS IS ATTACHED.

ORDINANCE OR LAW COVERAGE:

FORM SS 04 15

UNDAMAGED PART COVERAGE

00 of 34 DEMOLITION COST COVERAGE

INCREASED COST COVERAGE

\$ 225,000

\$ 225,000

BLANKET COVERAGE FOR BUILDING & BPP

FORM: SS 04 77

LIMITED FUNGI, BACTERIA OR VIRUS
COVERAGE:

FORM SS 40 93

THIS IS THE MAXIMUM AMOUNT OF
INSURANCE FOR THIS COVERAGE,
SUBJECT TO ALL PROPERTY LIMITS
FOUND ELSEWHERE ON THIS
DECLARATION.

INCLUDING BUSINESS INCOME AND EXTRA
EXPENSE COVERAGE FOR:

30 DAYS

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015L-011839
PAC

SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 83 SBA NK6170

**PROPERTY OPTIONAL COVERAGES APPLICABLE LIMITS OF INSURANCE
TO ALL LOCATIONS**

BUSINESS INCOME AND EXTRA EXPENSE
COVERAGE
COVERAGE INCLUDES THE FOLLOWING
COVERAGE EXTENSIONS:

12 MONTHS ACTUAL LOSS SUSTAINED

ACTION OF CIVIL AUTHORITY: 30 DAYS
EXTENDED BUSINESS INCOME: 30 CONSECUTIVE DAYS

EQUIPMENT BREAKDOWN COVERAGE
COVERAGE FOR DIRECT PHYSICAL LOSS
DUE TO:
MECHANICAL BREAKDOWN,
ARTIFICIALLY GENERATED CURRENT
AND STEAM EXPLOSION

THIS ADDITIONAL COVERAGE INCLUDES
THE FOLLOWING EXTENSIONS

HAZARDOUS SUBSTANCES	\$ 50,000
EXPEDITING EXPENSES	\$ 50,000

MECHANICAL BREAKDOWN COVERAGE ONLY
APPLIES WHEN BUILDING OR BUSINESS
PERSONAL PROPERTY IS SELECTED ON
THE POLICY

IDENTITY RECOVERY COVERAGE \$ 15,000
FORM SS 41 12

ELECTRONICALLY FILED

11/19/2015 1:54 PM

2015-L-011839

PAGE

SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 83 SBA NK6170

BUSINESS LIABILITY	LIMITS OF INSURANCE
LIABILITY AND MEDICAL EXPENSES	\$1,000,000
MEDICAL EXPENSES - ANY ONE PERSON	\$ 10,000
PERSONAL AND ADVERTISING INJURY	\$1,000,000
DAMAGES TO PREMISES RENTED TO YOU ANY ONE PREMISES	\$ 300,000
AGGREGATE LIMITS	
PRODUCTS-COMPLETED OPERATIONS	\$2,000,000
GENERAL AGGREGATE	\$2,000,000
EMPLOYMENT PRACTICES LIABILITY	
COVERAGE: FORM SS 09 01	
EACH CLAIM LIMIT	\$ 5,000
DEDUCTIBLE - EACH CLAIM LIMIT	
NOT APPLICABLE	
AGGREGATE LIMIT	\$ 5,000
RETROACTIVE DATE: 09012001	

ELECTRONICALLY FILED
 11/19/2015 1:54 PM
 2015-L-011839
 PAGE 12 of 34

This **Employment Practices Liability Coverage** contains claims made coverage. Except as may be otherwise provided herein, specified coverages of this insurance are limited generally to liability for injuries for which claims are first made against the insured while the insurance is in force. Please read and review the insurance carefully and discuss the coverage with your Hartford Agent or Broker.

The Limits of Insurance stated in this Declarations will be reduced, and may be completely exhausted, by the payment of "defense expense" and, in such event, The Company will not be obligated to pay any further "defense expense" or sums which the insured is or may become legally obligated to pay as "damages".

BUSINESS LIABILITY OPTIONAL
COVERAGES

UMBRELLA LIABILITY - SEE
SCHEDULE ATTACHED

SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 83 SBA NK6170

**BUSINESS LIABILITY OPTIONAL COVERAGES
(Continued)**

LIMITS OF INSURANCE

EMPLOYEE BENEFITS LIABILITY

COVERAGE: FORM SS 04 13

CLAIMS-MADE

RETROACTIVE DATE: 09/01/1994

EACH CLAIM

AGGREGATE

\$1,000,000

\$2,000,000

WAIVER OF SUBROGATION:

FORM SS 12 15

LOCATION: 001 BUILDING: 001

SEE FORM IH 12 00

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 13 of 34

SPECTRUM POLICY DECLARATIONS (Continued)

POLICY NUMBER: 83 SBA NK6170

LOSS PAYEE 'A':
FORM SS 12 12

FIRST BANK & TRUST
820 CHURCH ST
EVANSTON, IL. 60201
BUSINESS PERSONAL PROPERTY

PROPERTY:

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839

Form Numbers of Forms and Endorsements that apply:

00 01 03 14	SS 00 05 12 06	SS 00 07 07 05	SS 00 08 04 05
84 01 09 07	SS 84 31 09 07	SS 01 23 12 11	SS 04 08 09 07
04 13 03 92	SS 04 15 07 05	SS 04 19 07 05	SS 04 22 07 05
04 30 07 05	SS 04 39 07 05	SS 04 41 04 09	SS 04 42 09 07
04 44 07 05	SS 04 45 07 05	SS 04 46 10 08	SS 04 47 04 09
SS 04 52 09 07	SS 04 77 07 05	SS 04 80 03 00	SS 04 86 03 00
SS 40 18 07 05	SS 40 93 07 05	SS 41 12 12 07	SS 41 51 10 09
SS 41 62 06 11	SS 41 63 06 11	IH 10 01 09 86	SS 05 47 09 01
PC-373-2	SS 09 01 10 08	SS 09 06 10 08	SS 09 42 07 99
SS 12 12 03 92	SS 12 15 03 00	SS 50 19 03 12	IH 99 40 04 09
IH 99 41 04 09	SX 80 01 06 97	SS 38 25 12 07	SS 83 76 03 12
IH 12 00 11 85 WAIVER OF SUBROGATION			
IH 12 00 11 85 .			



STRETCH SUMMARY

SUMMARY OF COVERAGE LIMITS

This is a summary of the Coverages and the Limits of Insurance provided by the Stretch Coverage form SS 04 08 which is included in this policy. No coverage is provided by this summary. Refer to coverage form SS 04 08 to determine the scope of your insurance protection.

The Limit of Insurance for the following Additional Coverages are in addition to any other limit of insurance provided under this policy:

Coverage	Limit
Accounts Receivable – On/Off-Premises	\$ 25,000
Brands and Labels	Up to Business Personal Property Limit
Claim Expenses	\$ 10,000
Computer Fraud	\$ 5,000
Computers and Media	\$ 10,000
Debris Removal	\$ 25,000
Employee Dishonesty (including ERISA)	\$ 10,000
Fine Arts	\$ 10,000
Forgery	\$ 10,000
Laptop Computers – World-Wide Coverage	\$ 5,000
Off Premises Utility Services – Direct Damage	\$ 10,000
Outdoor Signs	Full Value
Pairs or Sets	Up to Business Personal Property Limit
Personal Property of Others	\$ 10,000
Property at Other Premises	\$ 10,000
Salespersons' Samples	\$ 1,000
Sewer and Drain Back Up	Included up to Covered Property Limits
Sump Overflow or Sump Pump Failure	\$ 15,000
Temperature Change	\$ 10,000
Tenant Building and Business Personal Property Coverage- Required by Lease	\$ 20,000
Transit Property in the Care of Carriers for Hire	\$ 10,000
Unauthorized Business Card Use	\$ 2,500
Valuable Papers and Records – On/Off-Premises	\$ 25,000

The Limits of Insurance for the following Coverage Extensions are a replacement of the Limit of Insurance provided under the Standard Property Coverage Form or the Special Property Coverage Form, whichever applies to the policy:

Coverage	Limit
Newly Acquired or Constructed Property – 180 Days	
Building	\$ 1,000,000
Business Personal Property	\$ 500,000
Business Income and Extra Expense	\$ 500,000
Outdoor Property	\$ 20,000 aggregate/ \$1,000 per item
Personal Effects	\$ 25,000
Property Off-Premises	\$ 15,000

The following changes apply only if Business Income and Extra Expense are covered under this policy. The Limits of Insurance for the following Business Income and Extra Expense Coverages are in addition to any other Limit of Insurance provided under this policy:

Coverage	Limit
Business Income Extension for Off-Premises Utility Services	\$ 25,000
Business Income Extension for Web Sites	\$ 10,000/7 days
Business Income from Dependent Properties	\$ 25,000

The following Limit of Insurance for the following Business Income Coverage is a replacement of the Limit of Insurance provided under the Standard Property Coverage Form or the Special Property Coverage Form, whichever applies to the policy:

Coverage	Limit
Extended Business Income	60 Days

The following changes apply to Loss Payment Conditions:

Coverage	Limit
Valuation Changes	
Commodity Stock	Included
"Finished Stock"	Included
Mercantile Stock - Sold	Included

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 17 of 34

COMMON POLICY CONDITIONS

QUICK REFERENCE - SPECTRUM POLICY

DECLARATIONS and COMMON POLICY CONDITIONS

I. DECLARATIONS

Named Insured and Mailing Address

Policy Period

Description and Business Location

Coverages and Limits of Insurance

II. COMMON POLICY CONDITIONS

Beginning on Page

A. Cancellation	1
B. Changes	1
C. Concealment, Misrepresentation Or Fraud	2
D. Examination Of Your Books And Records	2
E. Inspections And Surveys	2
F. Insurance Under Two Or More Coverages	2
G. Liberalization	2
H. Other Insurance - Property Coverage	2
I. Premiums	2
J. Transfer Of Rights Of Recovery Against Others To Us	2
K. Transfer Of Your Rights And Duties Under This Policy	3
L. Premium Audit	3

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 18 of 34



COMMON POLICY CONDITIONS

All coverages of this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 5 days before the effective date of cancellation if any one of the following conditions exists at any building that is Covered Property in this policy:
 - (1) The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:
 - (a) Seasonal unoccupancy; or
 - (b) Buildings in the course of construction, renovation or addition.
 - (2) After damage by a Covered Cause of Loss, permanent repairs to the building:
 - (a) Have not started; and
 - (b) Have not been contracted for, within 30 days of initial payment of loss.
 - (3) The building has:
 - (a) An outstanding order to vacate;
 - (b) An outstanding demolition order; or
 - (c) Been declared unsafe by governmental authority.
 - (4) Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal that is necessary or incidental to any renovation or remodeling.

(5) Failure to:

- (a) Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or
- (b) Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.
- b. 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
- c. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is canceled, we will send the first Named Insured any premium refund due. Such refund will be pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.
7. If the first Named Insured cancels this policy, we will retain no less than \$100 of the premium.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made part of this policy.

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 19 of 34

COMMON POLICY CONDITIONS

C. Concealment, Misrepresentation Or Fraud

This policy is void in any case of fraud by you as it relates to this policy at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This policy;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this policy.

D. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to the policy at any time during the policy period and up to three years afterward.

E. Inspections And Surveys

We have the right but are not obligated to:

1. Make inspections and surveys at any time;
2. Give you reports on the conditions we find; and
3. Recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of any person. And we do not represent or warrant that conditions:

1. Are safe or healthful; or
2. Comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

F. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

G. Liberalization

If we adopt any revision that would broaden the coverage under this policy without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

H. Other Insurance - Property Coverage

If there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

I. Premiums

1. The first Named Insured shown in the Declarations:
 - a. Is responsible for the payment of all premiums; and
 - b. Will be the payee for any return premiums we pay.
2. The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. If applicable, on each renewal, continuation or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.
3. With our consent, you may continue this policy in force by paying a continuation premium for each successive one-year period. The premium must be:
 - a. Paid to us prior to the anniversary date; and
 - b. Determined in accordance with Paragraph 2. above.

Our forms then in effect will apply. If you do not pay the continuation premium, this policy will expire on the first anniversary date that we have not received the premium.

4. Changes in exposures or changes in your business operation, acquisition or use of locations that are not shown in the Declarations may occur during the policy period. If so, we may require an additional premium. That premium will be determined in accordance with our rates and rules then in effect.

J. Transfer Of Rights Of Recovery Against Others To Us

Applicable to Property Coverage:

If any person or organization to or for whom we make payment under this policy has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance;
 - b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you; or

COMMON POLICY CONDITIONS

c. Your tenant.

You may also accept the usual bills of lading or shipping receipts limiting the liability of carriers.

This will not restrict your insurance.

K. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.

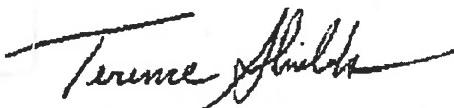
If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

L. Premium Audit

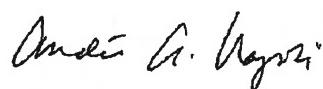
- a. We will compute all premiums for this policy in accordance with our rules and rates.
- b. The premium amount shown in the Declarations is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Any additional premium found to be due as a result of the audit are due and payable on notice to the first Named Insured. If the deposit premium paid for the policy term is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must maintain all records related to the coverage provided by this policy and necessary to finalize the premium audit, and send us copies of the same upon our request.

Our President and Secretary have signed this policy. Where required by law, the Declarations page has also been countersigned by our duly authorized representative.

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 21 of 34



Terence Shields, Secretary



André A. Napoli, President



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUILDING LIMIT- AUTOMATIC INCREASE REVISION

This endorsement modifies insurance provided under the following:

**SPECIAL PROPERTY COVERAGE FORM
STANDARD PROPERTY COVERAGE FORM**

Except as otherwise stated in this endorsement, the terms and conditions of the policy apply to the insurance stated below.

- A. Paragraph C.5 Building Limit-Automatic Increase of the **SPECIAL PROPERTY COVERAGE FORM** or **STANDARD PROPERTY COVERAGE FORM** is deleted.
- B. The following is added to **Additional Coverages**, paragraph A.5 of the **SPECIAL PROPERTY COVERAGE FORM** or paragraph A.4. of the **STANDARD PROPERTY COVERAGE FORM**:

Building Limit - Automatic Increase

- a. If the covered loss or damage to Building property at a "scheduled premises" exceeds the Limit of Insurance stated in the Declarations, the Limit of Insurance available for the covered loss or damage in that occurrence will automatically increase by up to 8%.
- b. The amount of increase will be:
 - (1) The Limit of Insurance for Buildings that applied on the most recent of the policy inception date, policy anniversary date, or the date of any other policy change amending the Building limit, multiplied by
 - (2) The 8% annualized percentage of Automatic Increase, expressed as a decimal (08), multiplied by

- (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance for Buildings, divided by 365.

Example:

The applicable Limit of Insurance for Buildings is \$100,000. The automatic increase percentage is 8%. The number of days since the beginning of the policy period (or last policy change) is 146.

The amount of increase is:

\$100,000 X .08 X 146 divided by 365 = \$3,200

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 22 of 34

POLICY NUMBER: 83 SBA NK6170



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAIVER OF SUBROGATION

MOTOROLA, INC CELLULAR SUBSCRIBER GROUP
600 N US HWY 45
LIBERTYVILLE, IL 60448

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 23 of 34

POLICY NUMBER: 83 SBA NK6170



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 24 of 34



U.S. DEPARTMENT OF THE TREASURY, OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by the United States. **Please read this Notice carefully.**

The Office of Foreign Assets Control ("OFAC") of the U.S. Department of the Treasury administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy or economy of the United States. OFAC acts under Presidential national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze assets under U.S. jurisdiction. OFAC publishes a list of individuals and companies owned or controlled by, or acting for or on behalf of, targeted countries. It also lists individuals, groups, and entities, such as terrorists and narcotics traffickers designated under programs that are not country-specific. Collectively, such individuals and companies are called "Specially Designated Nationals and Blocked Persons" or "SDNs". Their assets are blocked and U.S. persons are generally prohibited from dealing with them. This list can be located on OFAC's web site at – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is an SDN, as identified by OFAC, the policy is a blocked contract and all dealings with it must involve OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC.

ELECTRONICALLY FILED
11/19/2015 1:54 PM
PAGE 25 of 34
2015-L-011839



Named Insured: NATIONAL SCHOOL TOWEL SERVICE INC

Policy Number: 83 SBA NK6170

Effective Date: 09/01/14 **Expiration Date:** 09/01/15

Company Name: INSURANCE SERVICE CENTER INC

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TRADE OR ECONOMIC SANCTIONS ENDORSEMENT

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims.

All other terms and conditions remain unchanged.

ELECTRONICALLY FILED
11/9/2015 1:54 PM
2015-L-011839
PAGE 26 of 34

Insurer: HARTFORD CASUALTY INSURANCE COMPANY
ONE HARTFORD PLAZA, HARTFORD, CT 06155



This Declarations Page, with Umbrella Liability Provisions and Endorsements, if any, issued to form a part thereof, shall together constitute this Umbrella Liability Supplemental Contract, which in turn forms a part of Policy Number shown below.

None of the provisions of the policy to which this Supplemental Contract is attached applies to the Umbrella Liability Insurance provided hereunder.

Wherever the word "policy" appears in this form or in endorsements attached to or made a part of this Supplemental Contract, it means "Supplemental Contract".

POLICY NUMBER: 83 SBA NK6170

DECLARATIONS

Named Insured and Mailing Address: NATIONAL SCHOOL TOWEL SERVICE INC

PO BOX 1088
EVANSTON IL 60204

Policy Period From: 09/01/14 To: 09/01/15
12:01 A.M., Standard time at the address of the named insured as stated herein.

Premium \$ INCLUDED ADVANCE PREMIUM

Self Insured Retention \$10,000 each occurrence

The Limits of Insurance subject to all the terms of this policy that apply are:

Each Occurrence	\$ 9,000,000	Products-Completed Operations Aggregate Limit	\$ 9,000,000
General Aggregate Limit (Other than Products - Completed Operations, Bodily Injury By Disease and Automobile)	\$ 9,000,000	Bodily Injury By Disease Aggregate Limit	\$ 9,000,000

Schedule of Underlying Insurance Policies

See Attached "Extension Schedule of Underlying Insurance Policies"

Form Numbers of Forms and Endorsements that apply.

SX80041008	SX80020405	SX02040109	SX04150697
SX21030401	SX21040697	SX21050697	SX21270697
SX21310901	SX21771206	SX21821008	SX24320613
SX24330610			

Countersigned by _____

Authorized Representative _____

Date _____

EXTENSION SCHEDULE OF UNDERLYING INSURANCE POLICIES



This extension schedule forms a part of the policy designated in the Declarations.

Carrier, Policy Number and Policy Period:

A. HARTFORD CASUALTY INSURANCE COMPANY

83 SBA NK6170 09/01/14 TO 09/01/15

Type of Coverage

(X) Business Liability - including:

Employees as Additional Insureds
Contractual Liability
Limited Non-Owned Watercraft
Additional Insureds
Damages To Premises Rented To You

(X) Personal and Advertising Injury
(X) Products/Completed Operations

() Hired Auto and Non-Owned Auto

B.

() Comprehensive Automobile Liability -
Owned Automobiles

() Non-Owned Automobiles
() Hired Automobiles
() Uninsured Motorist

C.

() Employer's Liability

D.

() Liquor Liability

An "X" marked in the box indicates the coverage is provided in the Underlying Policies.

(Note Maintenance of Underlying Insurance Condition SX 80 02 or SX 80 03)

*Except that in any jurisdiction where the amount of Employers Liability Coverage afforded by the underlying insurer is by law unlimited, the limit stated does not apply and the policy of which this extension schedule forms a part shall afford no insurance with respect to Employers Liability in such jurisdiction.

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 28 of 34

EXTENSION SCHEDULE OF UNDERLYING INSURANCE POLICIES (Continued)

POLICY NUMBER: 83 SBA NK6170

Carrier, Policy Number and Policy Period:
E.

Type of Coverage	Applicable Limits
() Foreign Commercial General Liability- including:	
Personal and Advertising Injury	each occurrence
Products/Completed Operations	Personal and Advertising Injury aggregate Products/Completed Operations aggregate
() Foreign Contingent Auto Liability	each accident
() Foreign Employer's Liability	each accident * each employee by disease* total policy by disease*

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 29 of 34

An "X" marked in the box indicates the coverage is provided in the Underlying Policies.

(Note Maintenance of Underlying Insurance Condition SX 80 02 or SX 80 03)

*Except that in any jurisdiction where the amount of Employers Liability Coverage afforded by the underlying insurer is by law unlimited, the limit stated does not apply and the policy of which this extension schedule forms a part shall afford no insurance with respect to Employers Liability in such jurisdiction.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE BENEFITS LIABILITY ENDORSEMENT (CLAIMS MADE)

This endorsement modifies insurance provided under the

SPECTRUM UMBRELLA SUPPLEMENTAL CONTRACT

SCHEDULE I

Coverage	Limits of Insurance
Employee Benefits Liability	\$ 9,000,000 each claim limit
	\$ 9,000,000 aggregate limit

SCHEDULE II

"Controlling Underlying Insurance Policy"

ELECTRONICALLY FILED
 11/19/2015 1:54 PM
 2015L001839
 PAGE 34

Insurer: HARTFORD CASUALTY INSURANCE COMPANY

Policy No.

SBA NK6170

Policy Period

09/01/14 TO 09/01/15

Retroactive Date

09/01/94

Limits of Insurance

Employee Benefits Liability	\$ 1,000,000 each claim limit
	\$ 2,000,000 aggregate limit

This policy is extended to apply to Employee Benefits Liability, subject to the following additional provisions:

1. Except as otherwise provided by this endorsement, the insurance afforded herein shall follow all the terms, definitions and exclusions of the "controlling underlying insurance policy" designated in Schedule II.

2. SECTION I - COVERAGE EB

- A. We will pay those sums that the insured must legally pay as "damages":
 1. Because of "employee benefits injury" to which this endorsement applies; and
 2. That are in excess of the limits of insurance in the "controlling underlying insurance policy."
- B. This insurance does not apply to "employee benefits injury" which occurred before the

Retroactive Date, if any, shown in Schedule II or which occurs after the "policy period."

3. SECTION III - LIMITS OF INSURANCE

- A. The Limits of Insurance shown in Schedule I and the rules below fix the most we will pay regardless of the number of:
 1. Insureds;
 2. Claims made or "suits" brought; or
 3. Persons or organizations making claims or bringing "suits."
- B. The Aggregate Limit is the most we will pay for all "damages" to which this endorsement applies.
- C. Subject to B. above the Each Claim Limit is the most we will pay for all "damages" with respect to any one claim.

- D. Our obligations under this endorsement and when the applicable Limit of Insurance is used up. If we pay for any "damages" in excess of that Limit of Insurance, you agree to reimburse us for such amounts.
- E. The Limits of Insurance shown in Schedule I apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the "policy period" shown in Schedule II, unless the endorsement is extended after issuance for an additional period of less than 12 months. In that case the additional period will be deemed part of the last preceding period for the purpose of determining the Limits of Insurance.

4. EXTENDED REPORTING PERIODS

- A. We will provide one or more Extended Reporting Periods, as described below, if:
 - 1. This endorsement is cancelled or not renewed; or
 - 2. We renew or replace this endorsement with insurance that:
 - i. Has a Retroactive Date later than the date shown in the Declaration of this endorsement; or
 - ii. Does not apply to "employee benefits injury" on a claims-made basis.
- B. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the "policy period" and lasts for:
 - 1. One year for "claims" arising out of an "employee benefits injury" reported to us, not later than 60 days after the end of the "policy period";
 - 2. Sixty days for all other "claims."

The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims."
- C. A Supplemental Extended Reporting Period of three years duration is available, but only by an endorsement and for an extra charge. This supplemental period starts:
 - 1. One year after the end of the "policy period" for "claims" arising out of an "occurrence" reported to us, not later than 60 days after the end of the "policy period" or

- 2. Sixty days after the end of the "policy period" for all other "claims."

You must give us a written request for the endorsement within 60 days after the end of the "policy period." The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due. We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

1. The exposures insured;
2. Previous types and amounts of insurance;
3. Limits of Insurance available under this endorsement for future payment of "damages" and
4. Other related factors.

The additional premium will not exceed 200% of the annual premium for this endorsement.

This endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

- D. Extended Reporting Periods do not extend the "policy period" or change the scope of coverage provided. They apply only to "claims" for "employee benefits injury" that occur before the end of the "policy period" (but not before the Retroactive Date, if any, shown in the Declarations).

"Claims" for such injury which are first received and recorded during the Basic Extended Reporting Period (or during the Supplemental Extended Reporting Period, if it is in effect) will be deemed to have been made on the last day of the "policy period."

Once in effect, Extended Reporting Periods may not be cancelled by us.

- E. Extended Reporting Periods do not reinstate or increase the Limits of Insurance applicable to any "claim" to which this endorsement applies, except to the extent described in paragraph F. of this Section.
- F. If the Supplemental Extended Reporting Period is in effect, we will provide the separate aggregate limit of insurance described below, but only for "claims" first received and recorded during the Supplemental Extended Reporting Period.

The separate aggregate limit of insurance will be equal to the dollar amount shown in Schedule I in effect at the end of the "policy period" of this endorsement.

Paragraph **B.** of **SECTION III - LIMITS OF INSURANCE** will be amended accordingly.

5. ADDITIONAL DEFINITIONS

"Controlling underlying insurance policy" means the policy of "underlying insurance" designated in Schedule II providing coverage and limits for Employee Benefits Liability.

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 32 of 34



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FOLLOWING FORM ENDORSEMENT LIMITATION OF COVERAGE - VACANT LAND

This endorsement modifies insurance provided under the following:

UMBRELLA LIABILITY PROVISIONS

EXCLUSION SCHEDULE

- (a) Vacant land used by persons other than the insured.
- (b) "Real estate development property".
- (c) Hunting preserves.

ELECTRONICALLY FILED
11/19/2015 1:54 PM
PAGE 32 OF 34

This policy does not apply to "bodily injury," "property damage," or "personal and advertising injury," arising out of any premises described above in the Exclusion Schedule or to any hazards or operations arising out on or out of any premises described above in the Exclusion Schedule.

As used in this exclusion, the following definitions apply:

1. "Real estate development property" means land in any stage of development. This also includes, without limitation, any participation, on your own behalf or on behalf of others, in the financing, design, site preparation, construction, renovation or maintenance of, or the extraction of natural resources from, "Real Estate."

2. "Real Estate" means land, including the air above and ground below, and anything affixed to such land, including but not limited to buildings, structures or other improvements, regardless of whether such land is classified as residential, commercial, industrial, or otherwise.

EXCEPTION

This exclusion does not apply if "underlying insurance" is maintained providing coverage for any such liability with minimum underlying limits as described in the Schedule of Underlying Insurance Policies.

Condition K. - Maintenance of Underlying Insurance applies to this exception.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY CHANGE

This endorsement changes the policy effective on the Inception Date of the policy unless another date is indicated below:

Policy Number: 83 SBA NK6170 SA

Named Insured and Mailing Address; NATIONAL SCHOOL TOWEL SERVICE INC

PO BOX 1088
EVANSTON IL 60204

Policy Change Effective Date: 09/01/14

Effective hour is the same as stated in the Declarations Page of the Policy.

Policy Change Number: 001

Agent Name: INSURANCE SERVICE CENTER INC
Code: 552259

POLICY CHANGES:

HARTFORD CASUALTY INSURANCE COMPANY

ANY CHANGES IN YOUR PREMIUM WILL BE REFLECTED IN YOUR NEXT BILLING STATEMENT. IF YOU ARE ENROLLED IN REPETITIVE EFT DRAWS FROM YOUR BANK ACCOUNT, CHANGES IN PREMIUM WILL CHANGE FUTURE DRAW AMOUNTS.

THIS IS NOT A BILL.

NO PREMIUM DUE AS OF POLICY CHANGE EFFECTIVE DATE

MAILING ADDRESS IS CHANGED TO READ: 1819 RIDGE AVE
EVANSTON, COOK
IL. 60201

PRO RATA FACTOR: 1.000

THIS ENDORSEMENT DOES NOT CHANGE THE POLICY EXCEPT AS SHOWN.

Form SS 12 11 04 05 T
Process Date: 11/28/14

Page 001

Policy Effective Date: 09/01/14
Policy Expiration Date: 09/01/15

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
PAGE 34 OF 34

Property Major Case
P.O. Box 14271
Lexington, KY 40512-9907

ELECTRONICALLY FILED
11/19/2015 1:54 PM
2015-L-011839
CALENDAR: U
PAGE 10 OF 10
CIRCUIT COURT OF
COOK COUNTY, ILLINOIS
LAW DIVISION
CLERK DOROTHY BROWN



August 31, 2015

National School Towel Service, Inc.
Attn: Peter Suttle
969 Wildwood Ln
Highland Park, IL 60035

Adjusters International
Attn: Alan Krockey
500 N. Dearborn, Suite 310
Chicago, IL 60654

SENT VIA EMAIL & UPS

Re: Insured: National School Towel Service, Inc.
Date of Loss: July 11, 2015
Claim Number: CP0016324564
Policy Number: 83 SBA NK6170
Loss Location: 1815 – 1823 Ridge Ave, Evanston, IL 60201

Dear Mr. Suttle:

After a thorough investigation and careful review of your policy, we have determined that the claimed damages are specifically excluded by your policy. The policy provides coverage for collapse caused by decay that is hidden from view, unless the presence of such decay was known to an insured prior to collapse. Christopher P. Kurt, P.E., S.E. with Madsen, Kneppers & Associates, Inc. confirmed that a rotted truss ultimately led to the partial collapse of the building. A .pdf copy of his report has been forwarded to your public adjuster via email and hard copies will be sent to both you and your public adjuster via UPS. Based on our investigation, it is our position that the structural decay was not hidden from view and that a reasonable and prudent observer should have seen the decay in the subject area and other areas of the building.

We wish to bring to your attention the **Special Property Coverage Form SS 00 07 07 05**. This main coverage form, which is endorsed by the **Limited Fungi, Bacteria or Virus Coverage Form SS 40 93 07 05**, states, in part:

A. COVERAGE

We will pay for direct physical loss of or physical damage to Covered Property at the premises described in the Declarations (also called "scheduled premises" in this policy) caused by or resulting from a Covered Cause of Loss.

3. Covered Causes of Loss

RISKS OF DIRECT PHYSICAL LOSS unless the loss is:

- a. Excluded in Section B., **EXCLUSIONS**; or
- b. Limited in Paragraph A.4. Limitations; that follow.



5. Additional Coverages

a. Collapse

- (1) With respect to Buildings:
 - (a) Collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building cannot be occupied for its intended purpose;
 - (b) A building or any part of a building that is in danger of falling down or caving in is not considered to be in a state of collapse;
 - (c) A part of a building that is standing is not considered to be in a state of collapse even if it has separated from another part of the building;
 - (d) A building that is standing or any part of a building that is standing is not considered to be in a state of collapse even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage, or expansion.
- (2) We will pay for direct physical loss or physical damage caused by or resulting from risks of collapse of a building or any part of a building that is insured by this policy caused only by one or more of the following:
 - (a) "Specified cause of loss" or breakage of building glass, if such loss or breakage was covered by this policy;
 - (b) Decay that is hidden from view, unless the presence of such decay was known to an insured prior to collapse;
 - (c) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
 - (d) Weight of people or personal property;
 - (e) Weight of rain that collects on a roof; and
 - (f) Use of defective material or methods in construction, remodeling or renovation if the collapse occurs during the course of the construction, remodeling or renovation.

The criteria set forth in Paragraphs (1)(a) through (1)(d) do not limit the coverage otherwise provided under this Additional Coverage for the

Causes of Loss listed in Paragraph (2)(a), (2)(d), and (2)(e).

- (3) If the collapse is caused by a Covered Cause of Loss listed in Paragraphs (2)(b) through (2)(f), we will pay for direct physical loss of or physical damage to the property listed below, but only if such physical loss or physical damage is a direct result of the collapse of a building insured under this policy, and the property is property covered under this policy:
- (a) Awnings; gutters and downspouts; yard fixtures; outdoor swimming pools; piers, wharves and docks; beach or diving platforms or appurtenances; retaining walls; walks, roadways and other paved surfaces.
- (4) If personal property abruptly falls down or caves in and such collapse is not the result of collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if
- (a) The collapse was caused by a cause of loss listed in Paragraphs (2)(a) (2)(f) through of this Additional Coverage;
- (b) The personal property which collapses is inside a building; and
- (c) The property which collapses is not of a kind listed in Paragraph (3) above, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph (4) does not apply to personal property if marring or scratching is the only damage to that personal property caused by the collapse.

Collapse of personal property does not mean cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

- (5) This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this policy.

B. EXCLUSIONS

- We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.
 - "Fungi", Wet Rot, Dry Rot, Bacteria And

Virus

We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss:

- (1) Presence, growth, proliferation, spread or any activity of "fungi", wet rot, dry rot, bacteria or virus.
- (2) But if "fungi", wet rot, dry rot, bacteria or virus results in a "specified cause of loss" to Covered Property, we will pay for the loss or damage caused by that "specified cause of loss".

* * *

2. We will not pay for physical loss or physical damage caused by or resulting from:
 - c. **Miscellaneous Types of Loss:**
 - (1) Wear and tear;
 - (2) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
 - (4) Settling, cracking, shrinking or expansion;
 - h. **Collapse:** Collapse, except as provided in the Additional Coverage for Collapse. But if loss or damage by a Covered Cause of Loss results at the "scheduled premises", we will pay for that resulting loss or damage.
3. We will not pay for loss or damage caused by or resulting from any of the following. But if physical loss or physical damage by a Covered Cause of Loss results, we will pay for that resulting physical loss or physical damage.
 - c. **Negligent Work:** Faulty, inadequate or defective:
 - (1) Planning, zoning, development, surveying, siting;
 - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3) Materials used in repair, construction, renovation or remodeling; or
 - (4) Maintenance of part or all of any property on or off the "scheduled premises".

G. PROPERTY DEFINITIONS

19. "Specified Cause of Loss" means the following:
Fire; lightning; explosion, windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

- a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. It does not include the cost of filling sinkholes.
- b. Falling objects does not include loss of or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

Again, after a thorough investigation and careful review of your policy, we have determined that the claimed damages are specifically excluded by your policy.

By taking this position, Hartford Casualty Insurance Company does not intend to waive any of its rights and defenses or any of the terms and conditions of the policy. Additionally, Hartford Casualty Insurance Company specifically reserves the right to assert additional policy limitations, exclusions, and/or conditions not previously mentioned which may later become apparent.

We will, of course, be available to you to discuss the position we have taken. In accordance with Part 919 of the Rules of the Illinois Department of Insurance, our company is advising you that if you wish to take this matter up with the Illinois Department of Insurance, it maintains a Consumer Division in Chicago at 122 S. Michigan Ave., 19th Floor, Chicago, Illinois 60603 and in Springfield at 320 West Washington Street, Springfield, Illinois 62767.

Sincerely,

Stephen Landon
General Adjuster
(866) 951-2566 x6306928387
Writing Company Name: Hartford Casualty Insurance Company

cc: Adjusters International
cc: Insurance Service Center, Inc.

ELECTRONICALLY FILED
11/9/2015 1:54 PM
2015L-011839
PAGE 5 of 5

2120 - Served	2121 - Served
2220 - Not Served	2221 - Not Served
2320 - Served By Mail	2321 - Served By Mail
2420 - Served By Publication	2421 - Served By Publication
<input checked="" type="checkbox"/> SUMMONS	<input type="checkbox"/> ALIAS - SUMMONS

(2/18/11) CCG N001

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, _____ LAW DIVISION

NATIONAL SCHOOL TOWEL SERVICE;

(Name all parties)

v.

HARTFORD CASUALTY INSURANCE CO

Summons

To each Defendant:

 SUMMONS ALIAS - SUMMONS

No. 2015-L-011839

Defendant Address:

HARTFORD CASUALTY INSURANCE CO
 R/A ILLINOIS DEPARTMENT OF INSURANCE
 320 WEST WASHINGTON STREET
 SPRINGFIELD, IL 62701

YOU ARE SUMMONED and required to file an answer to the complaint in this case, a copy of which is hereto attached, or otherwise file your appearance, and pay the required fee, in the Office of the Clerk of this Court at the following location:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Richard J. Daley Center, 50 W. Washington, Room 801 | , Chicago, Illinois 60602 | |
| <input type="checkbox"/> District 2 - Skokie
5600 Old Orchard Rd.
Skokie, IL 60077 | <input type="checkbox"/> District 3 - Rolling Meadows
2121 Euclid
Rolling Meadows, IL 60008 | <input type="checkbox"/> District 4 - Maywood
1500 Maybrook Ave.
Maywood, IL 60153 |
| <input type="checkbox"/> District 5 - Bridgeview
10220 S. 76th Ave.
Bridgeview, IL 60455 | <input type="checkbox"/> District 6 - Markham
16501 S. Kedzie Pkwy.
Markham, IL 60426 | <input type="checkbox"/> Child Support
28 North Clark St., Room 200
Chicago, Illinois 60602 |

You must file within 30 days after service of this Summons, not counting the day of service.

IF YOU FAIL TO DO SO, A JUDGMENT BY DEFAULT MAY BE ENTERED AGAINST YOU FOR THE RELIEF REQUESTED IN THE COMPLAINT.

To the officer:

This Summons must be returned by the officer or other person to whom it was given for service, with endorsement of service and fees, if any, immediately after service. If service cannot be made, this Summons shall be returned so endorsed. This Summons may not be served later than 30 days after its date.

Atty. No.: 41154
 Name: CHILDRESS DUFFY GOLDBLATT
 Atty. for: NATIONAL SCHOOL TOWEL SERVICE
 Address: 500 N DEARBORN 1200
 City/State/Zip: CHICAGO, IL 60654
 Telephone: (312) 494-0200

WITNESS, Thursday, 19 November, 2015

Date of service: _____

(To be inserted by officer on copy left with defendant or other person)

Service by Facsimile Transmission will be accepted at: _____
 (Area Code) _____ (Facsimile Telephone Number) _____